

MOREHEAD STATE UNIVERSITY
STAFF CONGRESS MINUTES
SPECIAL CALLED MEETING REGARDING NEW INSURANCE TPA/PROVIDER
October 30, 2000

MEMBERS:

*Jeff Barker	Joy Cecil	Linda Kegley	Carole Morella	Stephanie Stewart
Sharon Beller	Dan Connell	Margaret LaFontaine	Joel Pace	Todd Thacker
Larry Besant	Lenore Dixon	Velda Mabry	Darlene Ramey	Madonna Weathers
Thelma Bumgardner	Patty Eldridge	Rhonda Mackin	Belva Sammons	Kenneth White
Vincent Butler	*Rosemary Hinton	Zack McClurg	Dallas Sammons	Ricky Williams
Gene Caudill	David Jessie	Pam Moore	Tim Smith	

***Denotes member was absent**

Guests:

President Ron Eaglin
 Roger Barker, Office of Human Resources
 Suzanne Hogge, Office of Human Resources

The meeting was called to order by Chair Weathers at 1:34 p.m. in the Eagle Dining room of ADUC. The minutes for the October meeting were distributed to Staff Congress members present. These minutes will be discussed/approved at the November 6 meeting.

Dr. Eaglin had asked to meet with the Staff Congress to review the changing of the university's insurance TPA (Third Party Administrator) Anthem to CA (Commonwealth Administrator's) with the change of the insurance provider from Blue Cross/Blue Shield to CHA Health. Dr. Eaglin was concerned that university employees were having problems with Anthem paying claims. The only way Anthem would be responsive to claims was if employees were assertive and continually contacting Anthem's offices. Dr. Eaglin explained that MSU was self-insured with a third party administrator to manage claims. It is important that adequate health care benefits are offered to all employees. MSU uses consultants and our experience to determine insurance costs.

Dr. Eaglin has been concerned that employees on the lower end of the pay scale were not taking advantage of health care benefits due to the cost of the co-pays and deductibles. He had received a budget document recommending that the university increase their amount of contribution to employees health insurance benefits package from the current \$140 per month to \$210 per month. While reviewing the cost of family coverage insurance plans for university employees, Dr. Eaglin discovered this cost was 25% of employees' pre-tax income. Two options that the President had to deal with from the budget report was either placing money in raises or applying money toward insurance benefits. Dr. Eaglin made the decision to increase university insurance contributions to \$210 per month and also do a significant increase in pay raises for next year. The increase contribution to health insurance benefits represents an investment of \$840 in every employee. Dr. Eaglin made the decision to move the money into insurance for the following reasons:

1. The \$210 will relieve some of the burden of insurance costs for employees.
2. The \$840 is pre-tax dollars that employees will not have to pay taxes on.
3. Employees who opt for the single basic plan will receive \$40 more per month than the cost of the insurance premium. This \$40 will be placed in a cafeteria medical expense account for the employee to use for medical expenses not covered by insurance. Employees opting for the HMO plan will receive \$20. Employees in the family plan will cost \$840 less than what they would have normally paid.

Dr. Eaglin's goal for next year is to try to increase salaries and the university's contribution to employees' health care benefits. This will amount to an approximate 7% increase. Currently the money is not available. The money will come from increased tuition. Dr. Eaglin feels the new TPA and CHA- Health will be positive change for MSU employees.

Rep. Thacker mentioned that if insurance costs go up next year, employees will have the same problems of not being able to afford insurance. Dr. Eaglin encouraged employees to try to contain their costs. Certain items such as drugs will drive up our insurance costs. Several ways to keep insurance premium costs down is for employees to be mindful of how they use insurance and the benefits they want covered.

Chair Weathers thanked Dr. Eaglin for attending the meeting and discussing the insurance changes with the Staff Congress. Meeting adjourned: 2:28 pm.

Dallas F. Sammons, Secretary